



**The Variable Annuity Life Insurance Company**  
2929 Allen Parkway  
Houston, TX 77019

**Bruce R. Abrams**  
President & CEO

October 3, 2008

Dear Valued AIG Retirement Clients:

On Friday, October 3, AIG announced plans to sell many of its businesses in order to repay amounts owed under its \$85 billion loan agreement with the Federal Reserve Bank of New York. AIG Retirement is among the business units that will be sold. I wanted to provide my perspective on this decision.

Our roots at AIG Retirement extend more than a half century deep. We have a rich history in the retirement savings industry. We have provided our clients with excellent products and service for decades – long before we became known as AIG Retirement. And that tradition of excellence will continue regardless of new ownership.

For those who are unfamiliar with our past, allow me to provide a brief overview:

- Founded in 1955 as The Variable Annuity Life Insurance Company of America, we enrolled the first public school district into a 403(b) retirement savings program in 1964.
- We pioneered the use of independent third-party investment advice and automated portfolio management services under the SunAmerica advisory opinion from the U.S. Department of Labor.
- Today, more than half a century after our founding, we are the #1 provider of retirement plans to the K-12 market and a market leader in the higher education and healthcare markets.
- We proudly serve more than 26,000 employer groups and 1.8 million customers.

This highly respected history stands separate and apart from the challenges recently faced by our parent, AIG. In fact, our long history of success, and our current dominant position in the 403b marketplace will attract many prospective buyers. I am confident that our new parent will be a financially strong and highly rated organization. And that strength will only serve to bolster our leadership position in the retirement savings marketplace.

We expect to move quickly through this sales process. I am committed to communicating with you and your employees frequently and in as much detail as possible as events unfold. In the meantime, we remain focused on serving your needs and those of your employees and participants.

We're approaching an exciting new chapter in our history. I am proud to be associated with a company that helps millions of Americans plan for and enjoy a secure retirement. That is our past. It will be our future, too. We look forward to delivering on our promises and maintaining your trust.

Sincerely,

A handwritten signature in black ink that reads "Bruce Abrams".